

Office of the Attorney General Paul G. Summers

NEWS RELEASE

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ATTORNEY GENERAL ASKS TENNESSEANS TO BE AWARE OF POTENTIAL PRICE GOUGERS

State officials have predicted that the Florida evacuations for Hurricane Frances could send as many as 30,000 people to Tennessee via Interstate 75 seeking shelter. As a result, Attorney General Paul Summers is asking Tennesseans to be on the lookout for potential price gougers.

Some individuals may take advantage of the terrible acts of nature by dramatically raising the prices they charge for goods and services that are necessary and vital to consumers. This practice is called price gouging.

"At a time when our thoughts and prayers are rightfully with those affected by the hurricane and its potential aftermath, we stand proudly, as Tennesseans always have, ready to offer our aid and assistance to those who are hurting," Attorney General Summers said. "We will not tolerate actions that aggravate this situation."

Mary Clement, the Director of the Division of Consumer Affairs, said "I urge consumers to call the State's consumer hotline at 1-800-342-8385 to report price gouging activities. Please be prepared to provide the specifics including the location of the business and the price charged so we can take appropriate action."

There is a specific Tennessee law against price gouging. The price gouging prohibition takes effect upon the Governor's or President's declaration of a state of emergency and only within the area for which the state of emergency has been declared.

In the event that a state of emergency is declared, the Attorney General, in conjunction

with the Tennessee Division of Consumer Affairs, will aggressively pursue price gougers. People who raise prices to take advantage of the public during a state of emergency are subject to the penalties of up to \$1,000 per violation of the Tennessee Consumer Protection Act.

"While most Tennessee businesses always abide by the law and would never take advantage of those in need," Summers said, "consumers should be alert to potential unscrupulous individuals who may illegally inflate prices."